



CONNECTICUT REALTORS®

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Statement on

HB 5326

**AN ACT CONCERNING THE AFFORDABLE HOUSING APPEALS PROCESS AND
REMOVING THE MUNICIPALITY OPT-OUT DEADLINE FOR ACCESSORY
APARTMENTS.**

SUPPORT

Submitted to the Housing Committee

By Connecticut REALTORS®

February 28, 2023

Connecticut REALTORS® (CTR) submits testimony related to **HB 5326, AN ACT CONCERNING THE AFFORDABLE HOUSING APPEALS PROCESS AND REMOVING THE MUNICIPALITY OPT-OUT DEADLINE FOR ACCESSORY APARTMENTS**. CTR represents over 20,000 members involved in all aspects of real estate in Connecticut. CTR members work with tens of thousands of buyers, sellers, landlords and tenants annually.

CTR supports this proposal as it provides important recognition of housing of affordable value in a municipality is considered as part of 8-30g. Municipalities frequently have both housing stock and residents in housing within the financial scope of what would otherwise be considered “affordable”. And further, those units also provide an opportunity for generational wealth to be built along and with other benefits of home ownership that is typically denied to those in deed-restricted housing units.

Requirements for deed-restricted housing can restrict the opportunity for the maximum number of affordable units to be created due to the extremely high costs required to create those units. Municipalities can be faced with penalties when approving or creating as many units as possible, unless they also include percentages of extremely expensive deed-restricted units. The housing development may in fact be very affordable to the prospective tenants or owners without the deed-restriction, but the only factor considered is percentage being deed-restricted. Often either the development costs must skyrocket to cover the loss in income for a 40-year “affordability” of units or the tenants in other units may need to pay much higher rents to subsidize those “affordable units”. Because of the numerator and denominator factors in calculations for 8-30g, a municipality

can be penalized for creating non-deed-restricted affordable units. Therefore, the town may be less inclined to support any new units being created if it might bring them further away from meeting a percentage goal in 8-30g.

CTR strongly supports every municipality providing an option for accessory dwelling units (ADU). Should a municipality not wish to use the criteria in the current law, the opt-out should be due to adoption of other ADU provisions locally – but not provide opportunity for deciding no ADUs at all. Property owners need options for meeting their own family or other housing needs, and there is severe shortage of available housing units in Connecticut. CTR supports every municipality having ADU provisions.

CTR would be willing to discuss further specifics of **HB 5326** with the members at your convenience. Thank you for your consideration of our concerns related to the proposed legislation before your committee today.